

Message Text

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PAGE 01 NEW DE 01598 01 OF 02 030500Z

12

ACTION NEA-10

INFO OCT-01 EUR-12 EA-07 ISO-00 CIAE-00 DODE-00 PM-04 H-02

INR-07 L-03 NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15

USIA-06 OMB-01 AID-05 EB-07 /089 W

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R 021310Z FEB 76

FM AMEMBASSY NEW DELHI

TO SECSTATE WASHDC 3757

INFO AMEMBASSY COLOMBO

AMEMBASSY DACCA

AMEMBASSY ISLAMABAD

AMEMBASSY KATHMANDU

AMEMBASSY KABUL

AMCONSUL KARACHI

AMEMBASSY LONDON

AMCONSUL BOMBAY

AMCONSUL CALCUTTA

AMCONSUL MADRAS

AMCONSUL HONG KONG

C O N F I D E N T I A L SECTION 1 OF 2 NEW DELHI 1598

E.O. 11652: GDS

TAGS: PINT, PINS, IN

SUBJECT: DOMESTIC POLITICAL REVIEW: PROSPECTS FOR 1976

SUMMARY: THE PRIME MINISTER'S INCREASED AUTHORITARIAN POWERS HAVE MADE HER GRIP ON INDIAN POLITICS TIGHTER THAN EVER. BUT THE LAST SEVERAL WEEKS HAVE WITNESSED MOUNTING SIGNS THAT HER CONSOLIDATION OF PERSONAL POWER HAS BEGUN TO STIR OLD PROBLEMS AND CREATE NEW ONES. IN A NUMBER OF STATES, TRADITIONAL CONGRESS POWER BROKERS ARE PASSIVELY RESISTING INITIATIVES BY HER HAND-PICKED LOYALISTS WHO MUST LOOK TO THE "HOUSEHOLD" IN DISTANT DELHI FOR SUPPORT. IN CONTINUING TO EXPAND HER PERSONAL CONTROL WHILE SIDESTEPPING GROWING APPEALS FOR "RECONCILIATION" WITH THE JAILED OPPOSITION, MRS. GANDHI MAY ENCOURAGE RATHER THAN SUPPRESS OPPORTUNITIES FOR HER HARD LINE

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PAGE 02 NEW DE 01598 01 OF 02 030500Z

OPPOSITION. THERE IS A WIDENING CYNICISM AND RESENTMENT AMONG

THE EDUCATED ELITE OVER THE PERSONALIST REGIME SHE IS BUILDING AND HER SON SANJAY'S INCREASING INFLUENCE. AT THIS JUNCTURE, SHE SEEMS FACED WITH TWO GENERAL ALTERNATIVES:

- A) MAINTAIN THE STATUS QUO, OR FURTHER TIGHTEN HER PERSONAL RULE, BOTH OF WHICH WILL REQUIRE MORE SUPPRESION OF ACTUAL AND POTENTIAL DISSENT; AND
- B) SOME RECONCILIATION WITH THE OPPOSITION AND A CONTINUED CHECK ON FORCING SOCIO-ECONOMIC REFORMS LIABLE TO INCUR RESISTANCE.

MRS. GANDHI'S ACTIONS ARE PREDICTABLE ONLY IN THAT SHE SEEMS DETERMINED NOT TO RISK LOSING CONTROL OF THE INDIAN POLITICAL SCENE. WHAT WE FIND OURSELVES UNABLE TO ANTICIPATE AT THIS JUNCTURE IS WHETHER SHE WILL SEE GREATER RISKS IN COURSE (A) OR COURSE (B). SHE MAY OPT FOR A LITTLE OF BOTH WHICH MAY REDUCE HER SHORT-TERM RISKS, BUT COULD AGGRAVATE HER LONGER-TERM PROBLEMS. HER DECISION TO SEIZE POWER FROM THE DMK IN TAMILNAD LAST WEEK-END IS AN EXAMPLE OF HER DETERMINATION TO BROOK NO REAL OPPOSITION. REGARDLESS OF WHICH GENERAL COURSE SHE FOLLOWS, WE ARE NOT SANGUINE THAT HER DECISIONS WILL PROMOTE PROSPECTS FOR SIGNIFICANT PROGRESS IN SOLVING THE BASIC SOCIO-ECONOMIC PROBLEMS INDIA FACES. FOREIGN RELATIONS, INCLUDING THOSE WITH THE US, WILL BE SUBORDINATED TO DOMESTIC CONSIDERATIONS BY MRS. GANDHI DURING THE YEAR. MRS. GANDHI WILL BE CONTINUOUSLY RESENTFUL AT FOREIGN PRESS REPORTING ON HER ACTIONS, AND THE POTENTIAL FOR ALLEGING "FOREIGN INTERFERENCE" TO DEFEND HER DOMESTIC POLICIES WILL BE PERPETUALLY AT HER FINGERTIPS. WE ARE NOT, THEREFORE, VERY OPTIMISTIC ABOUT INDO-US RELATIONS THIS YEAR. END SUMMARY.

1. DURING THE FIRST SIX MONTHS OF THE EMERGENCY SHE DECLARED IN LATE JUNE 1975, THE PRIME MINISTER'S PERSONAL GRIP ON POWER IN INDIA HAS BECOME TIGHTER AND TIGHTER. BUT HER CONSOLIDATION OF POLITICAL POWER HAS ALSO BEGUN TO STIR OLD PROBLEMS AND CREATE NEW ONES. TRADITIONAL CONSERVATIVE CENTERS OF INFLUENCE INSIDE AND OUTSIDE THE CONGRESS PARTY AT STATE AND LOCAL LEVELS REMAIN BASICALLY UNAFFECTED BY HER ACCUMULATION OF UNPRECEDENTED AUTHORITY IN DELHI. THEY ARE AS OPPOSED AS EVER TO THE SOCIO-ECONOMIC PROGRAMS SHE ESPouses AND CONTINUE PASSIVELY TO RESIST THEIR IMPLEMENTATION AT LOCAL LEVELS. MINIMAL ACHIEVEMENTS ARE PERMITTED, OR IGNORED AS PINPRICKS, BUT THE MASS OF RURAL AND EVEN URBAN INDIANS HAVE THUS FAR BEEN SCARCELY TOUCHED BY THE EMERGENCY. IN A NUMBER OF STATES (KARNATAKA, UTTAR PRADESH,

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PAGE 03 NEW DE 01598 01 OF 02 030500Z

RAJASTAN), LOCAL POLITICAL MAGNATES NEVERTHELESS HAVE RESUMED MANEUVERING AGAINST PERSONAL LOYALISTS WHOM MRS. GANDHI OR HER SON HAVE PLACED IN LEADERSHIP POSITIONS. SO FAR THERE IS NO EVIDENCE THAT THE PRIME MINISTER IS PLANNING TO CONFRONT THESE INTERESTS, WHICH ARE STILL WELL ENTRENCHED IN ELECTORAL AND CONGRESS PARTY INSTITUTIONS AT ALL LEVELS, ALTHOUGH WE ARE LESS SURE ABOUT SANJAY GANDHI'S INTENTIONS. WE ARE, HOWEVER, HEARING COMPLAINTS FROM MRS. GANDHI AND OTHERS ABOUT HOW LITTLE IS REALLY

BEING DONE. AS CONGRESS PRESIDENT BAROOAH SAID IN A DELHI SPEECH FEB 1, THE 20-POINT PROGRAM RUNS THE RISK OF BEING TREATED AS A PLATITUDE AND A MEANINGLESS SLOGAN. IT IS AN OLD DILEMMA. TO TAKE ON THE RURAL CONSERVATIVES (WHO OFTEN TALK LIKE SOCIALISTS) WOULD BE A TREMENDOUS AND DISRUPTIVE TASK THAT WOULD ENLARGE THE PM'S HARD LINE OPPOSITION AND THREATEN HER POWER SHOULD SHE RETURN TO ELECTION PLITICS. TO IGNORE THEM WILL MEAN CONGRESS PROMISES FOR SOCIAL AND ECONOMIC REFORMS WILL REMAIN UNFULFILLED AND MRS. GANDHI WILL FIND IT INCREASINGLY DIFFICULT TO AVOID BLAME FOR THIS, EVEN FROM POLITICIANS WHO WOULD ATTEMPT TO SOABOTAGE ANY GENUINE IMPLENTATION.

2. THE PRIME MINISTER APPEARS AGAIN TO BE REACHING DECISION-MAKING JUNCTURE IN RESPECT TO WIDENING, OR CHECKING AND EVEN SYMBOLICALLY REVERSING HER AUTHORITARIAN COURSE. HER PERSONAL POSITION IS SECURE IN THE SHORT RUN. BUT DECISIONS SHE MUST MAKE OVER THE NEXT SEVERAL MONTHS MAY VERY WELL INFLUENCE THE PATTERN AND STRENGTH OF HER POLITICAL OPPOSITION OVER THE NEXT TWO TO FIVE YEARS. WHILE SHE HAS BEEN PUBLICLY DISCOUNTING THE LIKELIHOOD OF MOVING TO STRENGTHEN HER POSITION THROUGH A SHIFT TO A PRESIDENTIAL SYSTEM IN INDIA, THIS GENERAL ISSUE, OR AT LEAST THAT OF "CONSITUTIONAL REFORM," IS FAR FROM DEAD. THE GOVT, WE ARE TOLD, IS CURRENTLY AIMING TOWARD OCTOBER 1976 TO COMPLETE THE "NATIONAL DEBATE" ON SUCH REFORM PRIOR TO TAKING CONCRETE STEPS.

3. MRS. GANDHI IS HEARING GROWING APPEALS FROM A NUMBER OF QUARTERS FOR RECONCILIATION WITH THE OPPOSITION, INCLUDING THE RELEASE OF SOME OR MOST OF THE TENS OF THOUSANDS OF POLITICAL PRISONERS STILL IN JAIL, INCLUDING ABOUT 30 MPS. SHE HAS ALREADY DECIDED NOT TO ALLOW THE OPPOSITION DMK-CONTROLLED TAMIL NADU STATE GOVERNMENT TO CONTINUE, BUT HER DECISION ON THE GUJARAT GOVERNMENT REMAINS TO BE HEARD. THE CONTINUING DAILY DRUMFIRE OF CHARGES

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PAGE 04 NEW DE 01598 01 OF 02 030500Z

OF BRUTALITY TOWARD CONGRESS (R) POLITICIANS, OF CORRUPTION, AND OF BREAKDOWN IN "LAW AND ORDER" AIMED AT THE GUJARAT GOVERNMENT, HOWEVER, SUGGEST MRS. GANDHI EXPECTS TO BRING DOWN THE OPPOSITION GOVERNMENT THERE AS WELL.

4. IN MAKING HER DECISIONS, MRS. GANDHI WILL PROBABLY BE INFLUENCED BY A DISQUIETING FACTOR THAT ALL THREE CONGENS AS WELL AS THE EMBASSY HAVE NOTED: A SWELLING CYNICISM AND RESENTMENT AMONG THE URBAN EDUCATED INCLUDING THE BUREAUCRACY ABOUT THE INCREASINGLY PERSONALIST NATURE OF THE REGIME SHE HAS BEEN BUILDING. MANY WHO SUPPORTED THE EMERGENCY GAINS IN DISCIPLINE AND EFFICIENCY ARE NOW BITTERLY CRITICIZING, OR AT THE VERY LEAST, INCREASINGLY UNEASY, OVER THE RATE AT WHICH SANJAY GANDHI IS EXPANDING HER PERSONAL INFLUENCE WITH HIS MOTHER'S ASSISTANCE IN APPARENT PREPARATION FOR THE SUCCESSION.

INFLUENTIAL OPINION MAKERS, INCLUDING SOME CONGRESSMEN, ARE BECOMING PROGRESSIVELY LESS GUARDED IN THEIR PRIVATE CRITICISM OF MRS. GANDHI, THE SUPPRESSION OF POLITICAL AND PRESS FREEDOM AND THE EXPANDING ACTIVITIES OF THE DOMESTIC INTELLIGENCE APPARATUS. BUT RATHER THAN BEING LED TO CONCILIATE SUCH CRITICIS, MRS. GANDHI'S INCLINATION MAY BE TO INTIMIDATE THEM.

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PAGE 01 NEW DE 01598 02 OF 02 022311Z

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USIA-06 OMB-01 AID-05 EB-07 /089 W
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R 021310Z FEB 76
FM AMEMBASSY NEW DELHI
TO SECSTATE WASHDC 3758
INFO AMEMBASSY COLOMBO
AMEMBASSY DACCA
AMEMBASSY ISLAMABAD
AMEMBASSY KATHMANDU
AMCONSUL KARACHI
AMEMBASSY KABUL
AMEMBASSY LONDON
AMCONSUL BOMBAY
AMNGNSULCALCUTTA 6647
AMCONSUL MADRAS
AMCONSUL HONG KONG

CONFIDENTIAL SECTION 2 OF 2 NEW DELHI 1598

5. THE PRIME MINISTER WILL PROBABLY CONTINUE TO MOVE IN AN AD HOC WAY IN MAKING HER DECISIONS ON THESE MATTERS OVER THE NEXT SEVERAL MONTHS. NEVERTHELESS, THE SUM TOTAL OF HER ACTIONS WILL INDICATE WHETHER SHE IS LEANING IN ONE OF TWO GENERAL DIRECTIONS: A) TO MAINTAIN THE STATUS QUO OR FURTHER TIGHTEN HER PERSONAL RULE, BOTH OF WHICH WILL REQUIRE MORE EXPRESSION OF ACTUAL AND POTENTIAL DISSENT; OR B) CONCRETE MOVEMENT TOWARD AT LEAST PARTIAL ACCOMMODATION WITH THE OPPOSITION AND A CHECK ON FORCING SOCIO-ECONOMIC REFORMS LIABLE TO INCUR RESISTANCE. THE STRENGTH OF HER CURRENT POWER POSITION MAY WELL PERSUADE HER THAT SHE NEED NOT ACCOMMODATE TO OR DEAL WITH THE OPPOSITION, NOR CONTINUE TOLERATING THE TRADITIONAL POWER BROKERS STILL FRUSTRATING IMPLEMENTATION OF HER

POLICIES. ON THE OTHER HAND, TO CONTINUE ALONG PRESENT
CONFIDENTIAL
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PAGE 02 NEW DE 01598 02 OF 02 022311Z

LINES COULD, OVER TIME, SHRINK HER STILL SIGNIFICANT
POPULAR BASE IN THE COUNTRY AND PROGRESSIVELY DIMINISH
PROSPECTS FOR A RETURN TO FAIR ELECTIONS. IT COULD ALSO
ENHANCE HER DEPENDENCE ON THE MILITARY. IF SHE ENCOUNTERS
LITTLE RESISTANCE IN TAMILNAD, SHE WILL PROBABLY CONCLUDE
SHE HAS FEW WORRIES ANYWHERE IN TERMS OF ACTIVE OPPOSITION IN THE
FORESEEABLE FUTURE. SHE MAY THEN GIVE MORE ACTIVE CONSIDERATION TO
PLAYING THE FORGIVING MONARCH AND RELEASING SOME IMPRISONED
POLITICIANS. BUT IT SEEMS VERY DOUBTFUL SHE WILL ACT
TO RELAX POLITICAL CONTROLS IN ANY BROAD AND MEANINGFUL MANNER.

6.

MRS. GANDHI'S ACTIONS ARE PREDICTABLE ONLY IN THAT
SHE SEEMS DETERMINED NOT TO RISK LOSING CONTROL OF THE
INDIAN POLITICAL SCENE. WHAT WE FIND OURSELVES UNABLE
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SHORT-TERM RISKS, BUT COULD AGGRAVATE HER LONGER-TERM
PROBLEMS. HER DECISION TO SEIZE POWER FROM THE DMK IN
TAMILNAD LAST WEEKEND IS AN EXAMPLE OF HER DETERMINATION
TO BROOK NO REAL OPPOSITION. REGARDLESS OF WHICH GENERAL
COURSE SHE TAKES IN THE UPCOMING MONTHS, WE ARE NOT
SANGUINE THAT HER DECISIONS WILL PROMOTE PROSPECTS FOR
SIGNIFICANT PROGRESS IN SOLVING THE BASIC SOCIO-ECONOMIC
PROBLEMS THAT INDIA FACES.

7. WE ANTICIPATE AN UNEASY DOMESTIC POLITICAL YEAR IN
1976 AS THE PARAGRAPHS ABOVE SUGGEST. THE IMPLICATIONS FOR
INDIAN FOREIGN POLICY ARE QUICKLY STATED: DOMESTIC CON-
SIDERATIONS, HER PERSONAL POWER POSITION, AND THE DELICATE
BALANCES OF INTERNAL POLITICAL FORCES WILL AT ALL TIMES
TAKE PRIORITY OVER FOREIGN POLICY VALUES IN MRS. GANDHI'S
MENTAL CALCULUS THIS YEAR. REPORTING ON INDIAN DOMESTIC
SCENE BY THE FOREIGN PRESS WILL CONTINUE TO BE AN
IRRITANT IN OUR RELATIONS (AND THAT OF WESTERN EUROPEAN
STATES), AND THE ALLEGATION OF "FOREIGN INTERFERENCE" IN
DEFENDING HER DOMESTIC ACTIONS WILL CONTINUE TO BE CLOSE TO THE
TOP IN MRS. GANDHI'S PUBLIC RELATIONS ARMORY. AS A RESULT, WE
CAN ALSO NOT FEEL ENCOURAGED AS TO THE PROSPECTS FOR OUR
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PAGE 03 NEW DE 01598 02 OF 02 022311Z

RELATIONS WITH INDIA DURING THIS YEAR.
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Message Attributes

Automatic Decaptoning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: ECONOMIC CONDITIONS, POLITICAL LEADERS, POLITICAL SITUATION
Control Number: n/a
Copy: SINGLE
Draft Date: 02 FEB 1976
Decapton Date: 01 JAN 1960
Decapton Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: KelleyW0
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976NEWDE01598
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D760039-0917
From: NEW DELHI
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760291/aaaadckv.tel
Line Count: 278
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION NEA
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 6
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: KelleyW0
Review Comment: n/a
Review Content Flags:
Review Date: 19 MAY 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <19 MAY 2004 by ellisoob>; APPROVED <16 SEP 2004 by KelleyW0>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: DOMESTIC POLITICAL REVIEW: PROSPECTS FOR 1976 SUMMARY: THE PRIME MINISTER'S INCREASED AUTHORITARIAN POWERS
TAGS: PINT, PINS, IN, (GANDHI, INDIA)
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006